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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES March 2007

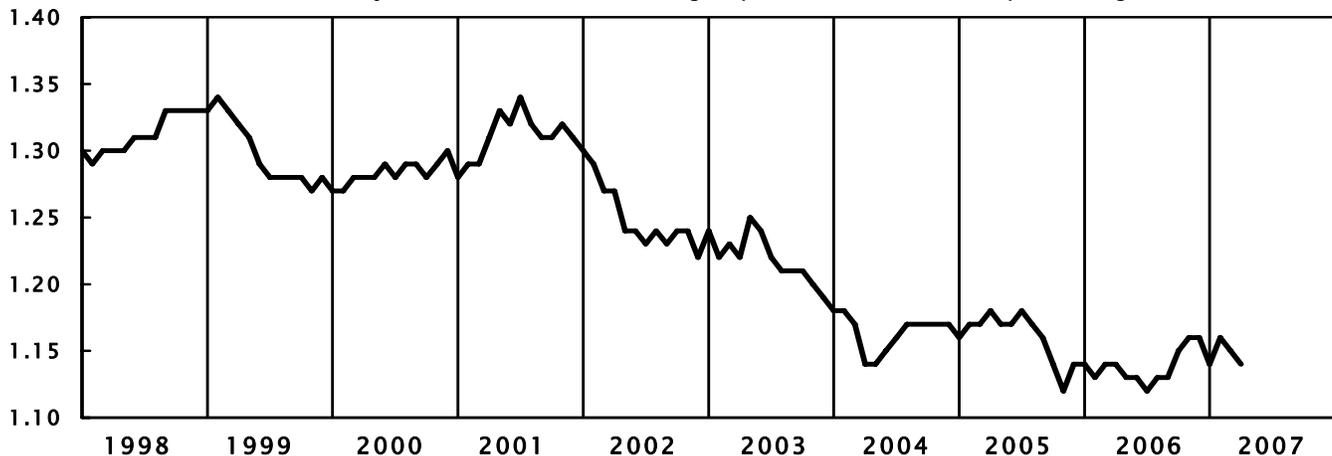
Sales. The U.S. Census Bureau announced today that March 2007 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$346.3 billion, up 1.8 percent (+/-0.5%) from the revised February level and were up 8.4 percent (+/-1.3%) from the March 2006 level. The February preliminary estimate was revised downward \$0.6 billion or 0.2 percent. March sales of durable goods were up 2.1 percent (+/-1.0%) from last month and were up 6.6 percent (+/-2.0%) from a year ago. Compared to last month, sales of computer and computer peripheral equipment and supplies were up 6.1 percent and sales of lumber and other construction materials increased 5.9 percent. March sales of nondurable goods were up 1.5 percent (+/-0.7%) from last month and were up 10.1 percent (+/-2.0%) from last year. Compared to last month, sales of beer, wine, and distilled alcoholic beverages increased 3.0 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$393.2 billion at the end of March, up 0.3 percent (+/-0.3%)* from last month and were up 8.1 percent (+/-1.7%) from a year ago. The February preliminary estimate was revised downward \$0.4 billion or 0.1 percent. End-of-month inventories of durable goods were virtually unchanged (+/- 0.3%)* from last month, but were up 7.6 percent (+/-2.3%) from last March. Inventories of furniture and home furnishings increased 2.1 percent from last month, while inventories of machinery, equipment, and supplies decreased 1.3 percent. End-of-month inventories of nondurable goods increased 0.8 percent (+/-0.7%) from February and were up 9.0 percent (+/-3.5%) compared to last March. Inventories of petroleum and petroleum products were up 3.1 percent from last month and inventories of grocery and related products were up 1.8 percent.

Inventories/Sales Ratio. The March inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.14. The March 2006 ratio was 1.14.

Data in this report are based on a sample and, therefore, are subject to sampling and nonsampling error. A discussion of the reliability of the estimates and general survey methodology can be found at <<http://www.census.gov/mwts/www/mwtsreliability.html>>.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices: 1998 to 2007
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for April is scheduled to be released June 7, 2007 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <<http://www.census.gov/whl>>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimates of Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices

[Total sales and inventory estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly			Percent change			Monthly			Percent change			Ratios		
		Mar. 2007 (p)	Feb. 2007 (r)	Mar. 2006 (r)	Mar./Feb.	Feb./Jan.	Mar. 07/ Mar. 06	Mar. 2007 (p)	Feb. 2007 (r)	Mar. 2006 (r)	Mar./Feb.	Feb./Jan.	Mar. 07/ Mar. 06	Mar. 2007 (p)	Feb. 2007 (r)	Mar. 2006 (r)
Adjusted²																
42	U.S. Total	346,322	340,134	319,545	1.8	1.0	8.4	393,234	392,073	363,658	0.3	0.4	8.1	1.14	1.15	1.14
423	Durable	168,615	165,110	158,157	2.1	-0.8	6.6	250,407	250,434	232,625	0.0	0.1	7.6	1.49	1.52	1.47
4231	Automotive	28,015	27,642	26,220	1.3	-0.4	6.8	38,206	38,022	37,936	0.5	-2.1	0.7	1.36	1.38	1.45
4232	Furniture	6,095	6,023	5,486	1.2	-1.3	11.1	7,902	7,736	7,093	2.1	0.1	11.4	1.30	1.28	1.29
4233	Lumber	11,048	10,435	12,799	5.9	-3.4	-13.7	14,810	14,947	14,772	-0.9	0.0	0.3	1.34	1.43	1.15
4234	Prof. equip.	29,260	28,875	27,692	1.3	0.1	5.7	31,881	31,757	28,622	0.4	1.0	11.4	1.09	1.10	1.03
42343	Comp. equip.	15,611	14,714	14,081	6.1	-0.4	10.9	11,544	11,621	10,887	-0.7	-0.7	6.0	0.74	0.79	0.77
4235	Metals	14,054	13,763	12,428	2.1	-0.2	13.1	24,394	24,502	19,712	-0.4	-0.8	23.8	1.74	1.78	1.59
4236	Electrical	25,541	25,476	23,331	0.3	-2.4	9.5	32,145	32,180	29,692	-0.1	-1.0	8.3	1.26	1.26	1.27
4237	Hardware	7,624	7,700	7,641	-1.0	0.3	-0.2	14,670	14,426	14,265	1.7	0.0	2.8	1.92	1.87	1.87
4238	Machinery	28,284	27,349	26,159	3.4	-1.7	8.1	63,150	64,013	57,900	-1.3	0.6	9.1	2.23	2.34	2.21
4239	Misc. Durable	18,694	17,847	16,401	4.7	1.7	14.0	23,249	22,851	22,633	1.7	4.1	2.7	1.24	1.28	1.38
424	Nondurable	177,707	175,024	161,388	1.5	2.8	10.1	142,827	141,639	131,033	0.8	1.0	9.0	0.80	0.81	0.81
4241	Paper	8,092	8,070	7,831	0.3	1.1	3.3	6,547	6,519	6,297	0.4	0.2	4.0	0.81	0.81	0.80
4242	Drugs	32,007	31,927	30,741	0.3	-0.2	4.1	30,429	30,642	29,842	-0.7	0.0	2.0	0.95	0.96	0.97
4243	Apparel	10,446	10,736	9,735	-2.7	1.8	7.3	15,301	15,333	14,542	-0.2	-0.3	5.2	1.46	1.43	1.49
4244	Groceries	42,288	41,668	36,847	1.5	2.1	14.8	26,533	26,061	22,700	1.8	2.7	16.9	0.63	0.63	0.62
4245	Farm products	13,387	13,062	10,603	2.5	6.8	26.3	14,456	14,472	10,246	-0.1	-1.4	41.1	1.08	1.11	0.97
4246	Chemicals	8,268	8,086	7,594	2.3	-2.0	8.9	8,943	8,963	8,515	-0.2	0.5	5.0	1.08	1.11	1.12
4247	Petroleum	36,431	36,159	33,743	0.8	8.8	8.0	12,226	11,860	12,572	3.1	0.7	-2.8	0.34	0.33	0.37
4248	Alcohol	8,282	8,041	7,688	3.0	-1.8	7.7	9,994	9,967	9,097	0.3	1.1	9.9	1.21	1.24	1.18
4249	Misc. Nondur.	18,506	17,275	16,606	7.1	1.2	11.4	18,398	17,822	17,222	3.2	4.2	6.8	0.99	1.03	1.04
													Sales to date			
													2007		2006	
42	U.S. Total	362,840	308,858	344,004	17.5	-4.9	5.5	394,649	394,644	364,824	0.0	0.2	8.2	996,545	931,448	
423	Durable	178,687	148,130	172,060	20.6	-5.9	3.9	249,560	250,832	232,183	-0.5	0.7	7.5	484,300	458,926	
4231	Automotive	30,060	25,071	28,999	19.9	-2.8	3.7	38,664	39,011	38,429	-0.9	-0.7	0.6	80,911	77,385	
4232	Furniture	6,284	5,403	5,782	16.3	-6.8	8.7	7,720	7,612	6,937	1.4	-0.9	11.3	17,486	15,739	
4233	Lumber	11,368	9,110	13,682	24.8	-10.1	-16.9	15,180	15,141	15,156	0.3	3.8	0.2	30,608	37,370	
4234	Prof. equip.	31,659	25,352	30,683	24.9	-6.0	3.2	31,020	31,725	27,849	-2.2	0.1	11.4	83,992	78,556	
42343	Comp. equip.	17,000	12,698	15,672	33.9	-8.1	8.5	11,278	11,493	10,658	-1.9	-2.9	5.8	43,522	40,244	
4235	Metals	14,700	12,841	13,397	14.5	-6.5	9.7	24,248	24,306	19,633	-0.2	-1.6	23.5	41,270	36,531	
4236	Electrical	26,333	22,928	24,708	14.9	-8.3	6.6	31,438	31,762	29,068	-1.0	-0.8	8.2	74,255	66,834	
4237	Hardware	7,662	6,907	7,901	10.9	-2.2	-3.0	14,831	14,498	14,422	2.3	1.7	2.8	21,630	21,499	
4238	Machinery	30,207	24,313	28,801	24.2	-7.8	4.9	63,466	63,949	58,305	-0.8	2.3	8.9	80,876	76,119	
4239	Misc. Durable	20,414	16,205	18,107	26.0	-2.7	12.7	22,993	22,828	22,384	0.7	2.6	2.7	53,272	48,893	
424	Nondurable	184,153	160,728	171,944	14.6	-4.0	7.1	145,089	143,812	132,641	0.9	-0.8	9.4	512,245	472,522	
4241	Paper	8,367	7,441	8,387	12.4	-7.2	-0.2	6,436	6,473	6,177	-0.6	-1.0	4.2	23,823	22,962	
4242	Drugs	33,255	29,596	33,139	12.4	-9.9	0.4	30,764	29,753	30,230	3.4	-3.9	1.8	95,708	90,653	
4243	Apparel	10,968	10,693	10,708	2.6	9.0	2.4	14,597	15,195	13,873	-3.9	-3.4	5.2	31,469	29,499	
4244	Groceries	44,106	38,043	38,763	15.9	-4.5	13.8	26,560	26,009	22,700	2.1	1.8	17.0	121,969	107,720	
4245	Farm products	14,016	12,670	11,388	10.6	-7.0	23.1	16,538	17,337	11,711	-4.6	-2.1	41.2	40,307	31,667	
4246	Chemicals	8,681	7,520	8,209	15.4	-11.6	5.7	9,006	9,008	8,558	0.0	1.3	5.2	24,704	22,516	
4247	Petroleum	37,014	32,290	35,666	14.6	0.7	3.8	12,043	11,931	12,434	0.9	-2.4	-3.1	101,364	97,190	
4248	Alcohol	8,000	6,634	7,750	20.6	1.3	3.2	9,864	9,678	8,961	1.9	1.9	10.1	21,183	20,152	
4249	Misc. Nondur.	19,746	15,841	17,934	24.7	-1.8	10.1	19,281	18,428	17,997	4.6	3.2	7.1	51,718	50,163	

^p Preliminary estimate. ^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 2002 NAICS manual or <http://www.census.gov/epcd/naics02/naicod02.htm#N42>.

² Estimates are adjusted for seasonal variation and, in the case of sales, also for trading-day differences. See Table 3 for the seasonal adjustment factors used. Cumulative seasonally adjusted sales estimates are not tabulated.

Note: Estimates have not been adjusted for price changes. Table 2 provides estimated measures of sampling variability. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/mwts/www/mwtsreliability.html>

Table 2. Estimated Measures of Sampling Variability of Monthly Wholesale Sales and Inventory Estimates

[Estimates are shown as percents and are based on data from the Monthly Wholesale Trade Survey.]

NAICS code	Kind of Business	Median coefficient of variation for monthly total				Median standard error for percent change				Coefficient of variation for total		Standard error for percent change
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Current month to current month last year		Sales to date		Current year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year sales to date
42	U.S. Total	0.9	1.3	0.9	1.3	0.3	0.2	0.8	1.0	0.8	0.6	0.8
423	Durable	1.5	1.5	1.6	1.6	0.6	0.2	1.2	1.4	1.4	1.2	1.3
4231	Automotive	2.7	4.6	2.7	4.6	1.3	0.6	2.0	5.5	3.2	2.3	2.5
4232	Furniture	3.2	4.4	3.2	4.5	1.8	0.9	3.2	6.2	3.4	3.1	3.2
4233	Lumber	4.1	7.6	4.1	7.5	1.2	0.8	2.8	6.1	3.8	5.1	3.1
4234	Prof. equip.	3.7	4.7	3.7	4.6	1.4	0.6	2.5	4.1	3.8	2.8	2.6
42343	Comp. equip.	5.8	7.3	5.8	7.2	2.7	1.0	5.4	9.6	6.5	4.2	5.8
4235	Metals	3.7	5.6	3.5	5.5	1.0	0.6	2.8	5.4	3.7	2.5	2.9
4236	Electrical	3.3	2.8	3.2	2.7	0.9	0.4	3.4	2.4	3.6	2.9	3.0
4237	Hardware	4.8	4.8	4.6	4.9	1.4	0.7	4.7	4.6	5.3	2.6	4.2
4238	Machinery	3.0	2.5	3.2	2.4	1.8	0.7	3.0	3.2	2.9	3.0	3.3
4239	Misc. Durable	4.7	5.4	4.9	5.4	1.6	0.8	5.5	3.6	5.8	3.0	6.5
424	Nondurable	1.3	2.0	1.3	1.9	0.4	0.4	1.2	2.1	1.2	0.9	1.2
4241	Paper	6.9	6.3	6.8	6.2	1.1	0.9	5.2	3.6	7.9	4.5	6.0
4242	Drugs	3.1	5.3	3.0	5.2	0.8	0.5	2.8	6.1	3.8	2.3	2.9
4243	Apparel	4.2	5.2	4.1	5.1	2.2	1.1	3.2	4.2	3.9	4.2	3.5
4244	Groceries	3.3	6.8	3.3	6.8	0.9	0.7	2.0	6.8	3.2	3.5	2.2
4245	Farm products	4.6	7.9	4.6	7.8	1.6	1.3	3.7	4.9	4.2	4.7	3.2
4246	Chemicals	6.7	6.5	6.8	6.4	1.4	0.8	6.7	8.2	6.5	5.3	6.7
4247	Petroleum	3.4	3.9	3.3	3.9	1.2	1.2	3.7	4.9	3.5	2.3	3.0
4248	Alcohol	7.6	3.7	7.5	3.7	1.1	1.1	2.2	3.3	7.7	7.4	2.3
4249	Misc. Nondur.	4.5	5.3	4.4	5.1	1.1	0.8	3.9	5.5	4.0	2.0	3.8

Note: Estimated measures of sampling variability are based on estimates not adjusted for seasonal variation or trading-day differences and are derived from estimates for the period July 2006 to present. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/mwts/www/mwtsreliability.html>.

Reliability of the Estimates

Because the estimates presented in this report are based on a sample survey, they may contain sampling error and nonsampling error.

Sampling error is the difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Standard errors and coefficients of variation (CV), as given in Table 2 of this report, are estimated measures of sampling variation.

The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90-percent confidence interval. If, for example, the percent change estimate is +1.2 percent and its estimated standard error is 0.9 percent, then the margin of sampling error is $\pm 1.645 \times 0.9$ percent or ± 1.5 percent, and the 90 percent confidence interval is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient statistical evidence to conclude at the 90 percent confidence level that the change is different from zero and therefore the change is not statistically significant. Estimated changes shown in the text are statistically significant unless otherwise noted. For a monthly total, the median estimated coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.645 \times CV \times$ (the estimated value). The Census Bureau recommends that individuals using estimates in this report incorporate this information into their analyses, as sampling error could affect the conclusions drawn from the estimates.

Nonsampling error encompasses all other factors that contribute to the total error of a sample survey estimate. This type of error can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, model error, and other errors of collection, response, coverage, or processing. Although nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Table 3. Seasonal Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates

[Seasonal adjustment factors are computed using the Census Bureau's X-12 ARIMA program and are based on data from the Monthly Wholesale Trade Survey.]

NAICS code	Kind of Business	Sales						Inventories					
		2007				2006	2006	2007				2006	2006
		Apr.	Mar.r	Feb.r	Jan.	Dec.	Mar.r	Apr.	Mar.r	Feb.r	Jan.	Dec.	Mar.r
42	U.S. Total ¹	0.989	1.048	0.908	0.963	0.965	1.072	1.000	1.001	1.006	1.008	1.003	1.002
423	Durable	0.984	1.057	0.902	0.947	0.960	1.084	1.007	0.998	1.003	0.995	0.986	0.999
4231	Automotive	1.004	1.073	0.907	0.929	1.008	1.106	1.015	1.012	1.026	1.012	0.986	1.013
4232	Furniture	0.973	1.031	0.897	0.950	0.920	1.054	0.977	0.977	0.984	0.994	0.989	0.978
4233	Lumber	1.018	1.029	0.873	0.938	0.805	1.069	1.031	1.025	1.013	0.976	0.948	1.026
4234	Prof. equip.	0.916	1.082	0.878	0.935	1.080	1.108	0.991	0.973	0.999	1.008	0.989	0.973
42343	Comp. equip.	0.902	1.089	0.863	0.936	1.144	1.113	0.995	0.977	0.989	1.012	1.004	0.979
4235	Metals	1.012	1.046	0.933	0.996	0.843	1.078	0.997	0.994	0.992	1.000	1.012	0.996
4236	Electrical	0.950	1.031	0.900	0.958	0.939	1.059	0.995	0.978	0.987	0.985	0.978	0.979
4237	Hardware	0.996	1.005	0.897	0.920	0.869	1.034	1.008	1.011	1.005	0.988	0.990	1.011
4238	Machinery	1.029	1.068	0.889	0.947	0.974	1.101	1.007	1.005	0.999	0.982	0.977	1.007
4239	Misc. Durable	0.986	1.092	0.908	0.949	0.944	1.104	1.001	0.989	0.999	1.014	0.994	0.989
424	Nondurable	0.996	1.039	0.919	0.981	0.970	1.064	0.987	1.011	1.011	1.030	1.039	1.011
4241	Paper	0.960	1.034	0.922	1.004	0.951	1.071	0.999	0.983	0.993	1.005	1.020	0.981
4242	Drugs	0.974	1.039	0.927	1.027	0.995	1.078	0.986	1.011	0.971	1.010	1.056	1.013
4243	Apparel	0.905	1.050	0.996	0.930	0.829	1.100	0.950	0.954	0.991	1.023	0.980	0.954
4244	Groceries	0.990	1.043	0.913	0.976	0.979	1.052	0.988	1.001	0.998	1.007	1.035	1.000
4245	Farm products	0.989	1.047	0.970	1.114	1.058	1.074	1.032	1.144	1.198	1.206	1.165	1.143
4246	Chemicals	0.978	1.050	0.930	1.031	0.898	1.081	1.011	1.007	1.005	0.997	0.991	1.005
4247	Petroleum	1.038	1.016	0.893	0.965	0.934	1.057	0.918	0.985	1.006	1.038	1.070	0.989
4248	Alcohol	0.941	0.966	0.825	0.800	1.114	1.008	1.021	0.987	0.971	0.963	0.933	0.985
4249	Misc. Nondur.	1.119	1.067	0.917	0.945	0.932	1.080	1.025	1.048	1.034	1.045	1.058	1.045

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¹Adjusted sales and inventory estimates for detailed kind-of-business levels in Table 1 are computed by dividing each unadjusted estimate by the seasonal adjustment factor for the corresponding kind of business and month. Adjusted estimates for broad kind-of-business levels are obtained by summing adjusted estimates at the appropriate detailed levels. Seasonal factors shown for broad kind-of-business levels may be used to approximate adjusted estimates at these levels, but the resulting estimates may differ slightly from the published estimates.

Note: The seasonal adjustment factors shown are estimates derived from a model that uses sample survey data as input. Therefore, these estimates may contain sampling error and nonsampling error. Additional information on the general form of the model and the X-12 ARIMA program may be found at <http://www.census.gov/srd/www/x12a/>.

Description of the Survey

The Census Bureau conducts the Monthly Wholesale Trade Survey (MWTS) to provide national estimates of monthly sales, end-of-month inventories, and inventory-to-sales ratios by kind of business for wholesale firms located in the United States. Specifically, the MWTS covers wholesale merchants who sell goods on their own account and include such businesses as wholesale merchants or jobbers, industrial distributors, exporters, and importers. Sales offices and branches maintained by manufacturing, refining, or mining firms for the purpose of marketing their products are not covered in this report. Also excluded is NAICS Industry Group 4251: Wholesale Electronic Markets and Agents and Brokers.

The MWTS sample was selected using a stratified, one-stage design with strata defined by kind of business (e.g., Automotive, Furniture, Lumber, etc.) and annual sales size. The sample includes firms of all sizes and is updated on a quarterly basis to account for new wholesale firms, deaths, and other changes to the wholesale universe. Each month, questionnaires are mailed to employer firms selected in a probability sample of approximately 4,500. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 26% of the total sales estimate and 28% of the total end-of-month inventory estimate is based on imputed data. Monthly sales and inventory estimates are obtained by summing weighted data (either reported or imputed). The monthly estimates are benchmarked to annual survey estimates and are adjusted for seasonal variation and trading-day differences. Individuals who use estimates in this report to create new estimates should cite the Census Bureau as the source of only the original estimates. Additional information on the MWTS can be found on the Census Bureau website at: <http://www.census.gov/whl>.